

US Army Corps Of Engineers

Walla Walla District 201 North Third Avenue Walla Walla, WA 99362-1876

Public Notice of Application for Permit

APPLICATION NO: 2006-640-CO1

APPLICANT: i-minerals, incorporated

PUBLIC NOTICE DATE: August 7, 2008

30-Day Notice COMMENTS DUE DATE: September 6, 2008

Interested parties are hereby notified an application has been received for a Department of the Army permit for certain work in waters of the United States as described below and shown on the attached drawings.

APPLICANT – i-minerals, incorporated, 10658 Point Hayden Drive, Hayden Lake, Idaho 83835. For information from the applicant, contact Mr. Roger Kauffman at 208-699-5842. For information from the agent, contact Mr. Paul Myers at Tetra-Tech, Inc., 451 Presumpscot Street, Portland, Maine 04103 207-879-9496. For information from the Corps of Engineers contact Mr. Michael Doherty at 208-765-7237.

LOCATION – Moose Creek, unnamed tributaries to Moose Creek, and adjacent wetlands, in Sections 16, 21, 22, 26, and 27, Township 41 North., Range 1W., Boise Meridian, Bovill USGS Quadrangle, northwest of Bovill, in Latah County, Idaho.

WORK – Discharge fill material into 13.78 acres of wetlands and 3,658 linear feet of streams during excavation of an open-pit quartz-feldspar mine, construction of a mineral processing and tailing disposal facility, and construction of a new haul road.

CONSTRUCTION PERIOD - Applicant proposes to start construction in October 2008 and complete construction in approximately 20 years. The permit would authorize construction and operational discharges for a period of 20 years.

PURPOSE – Develop a quartz-feldspar mine and processing facility.

ADDITIONAL INFORMATION - Impacts of open pit mine excavation to jurisdictional waters of the United States include the loss of a total of 13.78 acres of wetlands (See Figure 5), and 3,658 linear feet of intermittent stream channel. The stream is proposed to be diverted and relocated/reconstructed outside the open-pit mine footprint as shown on Figures 14, 15, and 16.

The construction of 3.17miles of new haul road would require discharges of fill material to install seven culvert crossings of jurisdictional intermittent streams and adjacent wetlands as shown on Figures 2, 4, and 6 through 13. Figure 3 shows wetlands in the processing plant and tailing impoundment area. The

facility locations are not shown on the drawing, but the wetlands on Figure 3 would be avoided in the final design of any buildings or tailings disposal areas.

AREA DESCRIPTION – Much of the project area is owned by the Idaho Department of Lands with a lesser part privately owned. It is located in the foothills between the Palouse to the west and the higher mountainous regions of the Continental Divide to the east. The land ranges from evergreen forests to open meadow and contains small stream drainages and larger emergent wetlands at elevations ranging from 2,000 to 3,000 feet above sea level. There has been extensive past clay mining on much of the site, and many old excavations, fills, and bridge remnants may be observed in the area. Current land uses include extensive livestock grazing, logging, and some mining activities. The area is managed for multiple-use activities by the Idaho Department of Lands.

ANTICIPATED IMPACTS ON AQUATIC ENVIRONMENT – The open pit mine excavation would result in the loss of 13.78 acres of palustrine, emergent wetlands as shown on Figure 5, and 3,658 linear feet of intermittent stream. The stream channel would be rerouted and constructed around the perimeter of the open pit mine. The new haul road would require discharge of fill materials totaling about .32 acre of jurisdictional streams and adjacent wetlands.

PROPOSED MITIGATION OF UNAVOIDABLE IMPACTS TO THE AQUATIC ENVIRONMENT — The applicant proposes to compensate for project impacts using a combination of methods including purchase of credits from a regionally approved wetland bank, providing funds for a local watershed wetland/floodplain restoration project, creating or restoring wetland habitats within the same watershed as the proposed project, and restoration of stream channels that would be excavated for the mine. Comments are currently being solicited on the appropriate combination of theses types of mitigation that would fully compensate for unavoidable wetland impacts. The applicant proposes to develop a detailed mitigation plan for approval prior to issuance of any permit for this project.

OTHER AUTHORIZATIONS - Other authorizations obtained or requested include, but are not necessarily limited to Idaho Department of Lands mining leases. A stream alteration permit from the Idaho Department of Water Resources may be needed for the Moose Creek culvert installation. All other affected streams appear to be intermittent and thus may not need authorization by the Idaho Department of Water Resources. A site disturbance Notice of Intent may need to be filed with the United States Environmental Protection Agency. Other permits may be required from Latah County for the mine and/or associated structures.

WATER QUALITY CERTIFICATION - This will also serve as public notice that Idaho Department of Environmental Quality (IDEQ) is evaluating whether to certify that the discharges of dredged and fill material proposed for this project will not violate existing water quality standards. A Department of the Army permit will not be issued until water quality certification has been issued or waived by the IDEQ, as required by Section 401 of the Clean Water Act. If water quality certification is not issued, waived or denied within 60 days of this public notice date, and an extension of this period is not granted to the IDEQ Quality, certification will be considered waived. Additionally, within (30) days of this public notice, any person may provide written comments to IDEQ and/or request in writing that IDEQ provide them notice of their preliminary 401 certification decision. Comments concerning certification for this project should be mailed to: June Bergquist, Idaho Department of Environmental Quality, Northern Idaho Regional Office, 2110 Ironwood Parkway, Coeur d'Alene, Idaho 83814.

CULTURAL RESOURCES – This notice will be sent to the Idaho State Historic Preservation Officer (SHPO) to determine if this activity will affect a site listed on the National Register of Historic Places, or a site that may be eligible for listing on the Register. The applicant has previously conducted an archaeological and historical survey of the project area. This survey was provided to the Idaho SHPO and they concluded in a February 26, 2008 letter to the applicant the project as proposed would not affect historic properties or sites eligible for listing as historic properties.

ENDANGERED SPECIES - Coordination is currently being conducted with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service to determine if the activity will have any affect on species designated as endangered or threatened under the Endangered Species Act, or their critical habitat.

ENVIRONMENTAL IMPACT STATEMENT - Preliminary review indicates the activity will not require preparation of an Environmental Impact Statement. Comments received from the local, state, and Federal agencies and the general public will be considered during preparation of an Environmental Assessment.

AUTHORITY - This permit will be issued or denied under the authority of Section 404 of the Clean Water Act.

EVALUATION - The decision whether to issue a permit will be based on an evaluation of the probable impact, including cumulative impacts, of the proposed activity on the public interest. This decision will reflect the national concern for both protection and utilization of important resources. The benefit which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, consideration of property ownership and, in general, the needs and welfare of the people. In addition, our evaluation will include application of the EPA Guidelines (40 CFR 230) as required by Section 404(b) (1) of the Clean Water Act.

CONSIDERATION OF PUBLIC COMMENTS – Through this Public Notice, the Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

PUBLIC HEARING - Any person may request in writing, within the comment period specified in this notice, that a public hearing be held to consider this proposed activity. Requests for a public hearing shall state specific reasons for holding a public hearing.

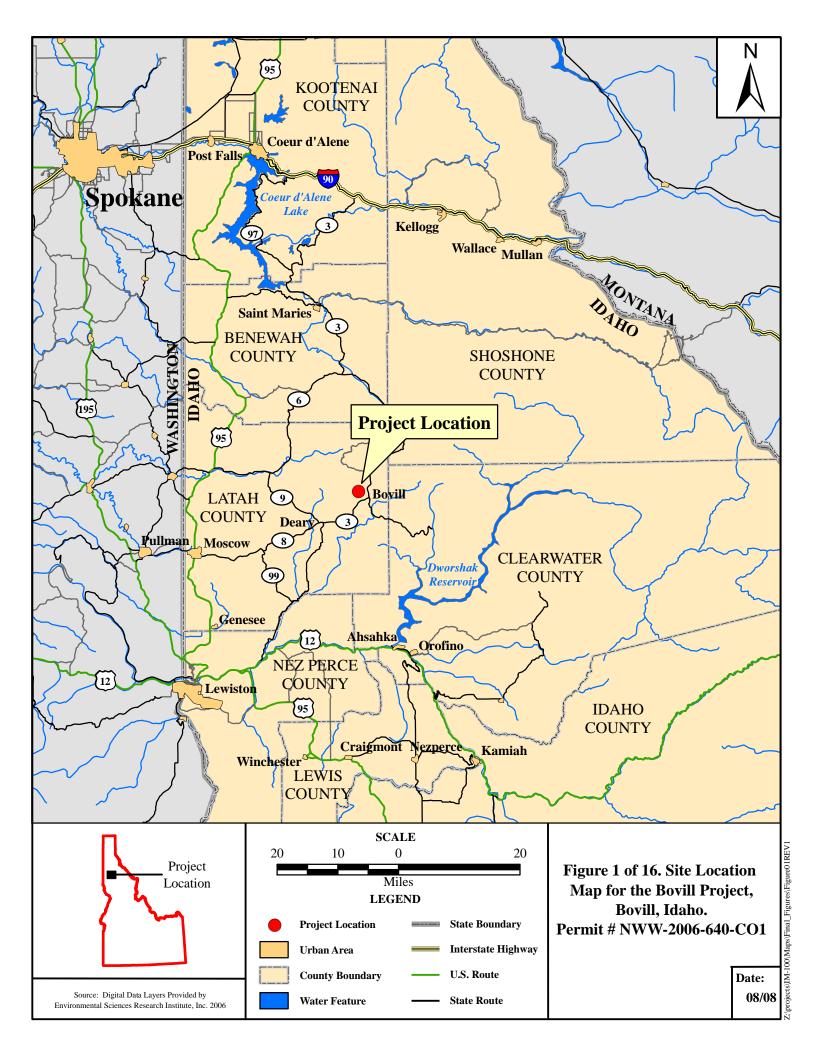
COMMENT AND REVIEW PERIOD - Interested parties are invited to provide their comments on the proposed activity, which will become a part of the record and will be considered in the decision. **Comments should be mailed to:**

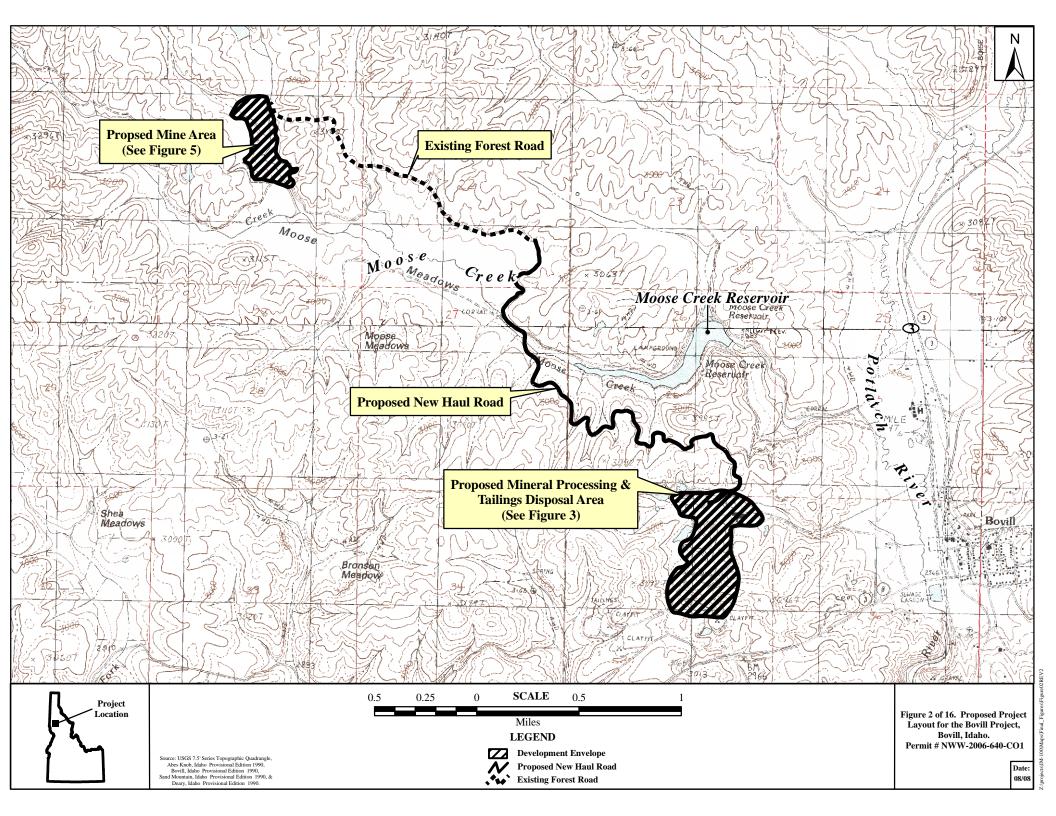
Mr. Michael Doherty, Regulatory Project Manager Coeur d'Alene Idaho Regulatory Field Office c/o the Idaho Panhandle National Forests 3815 Schreiber Way

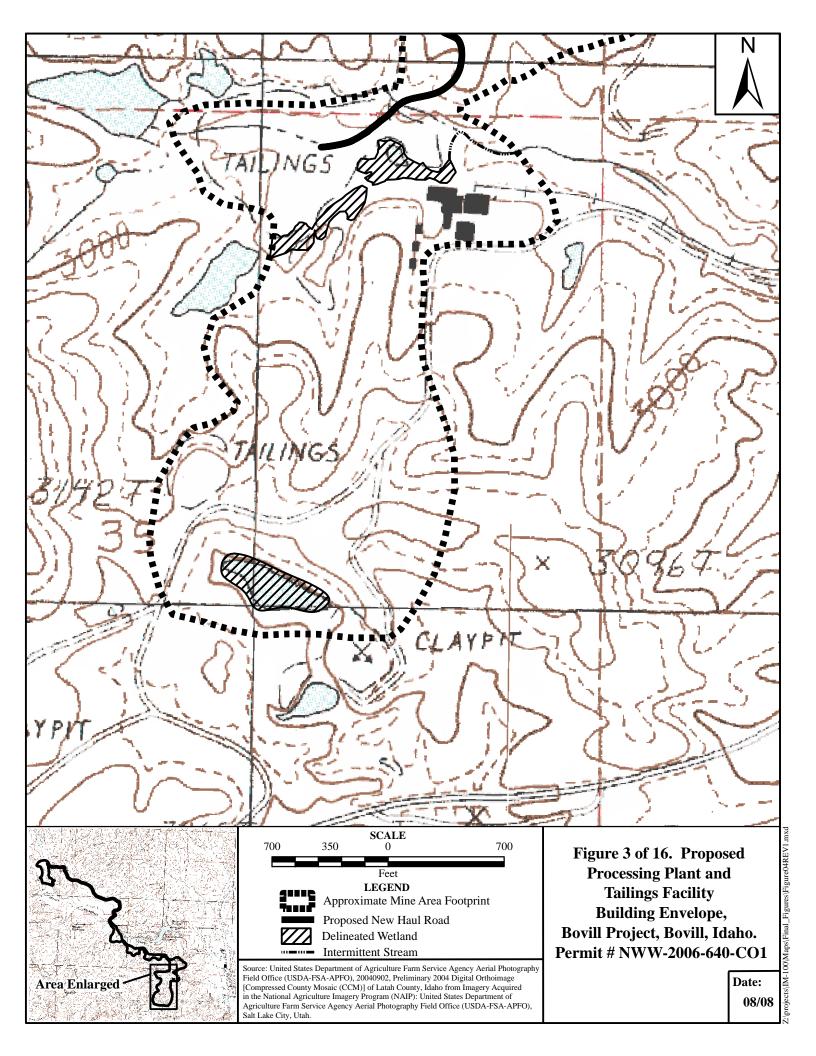
Coeur d'Alene, Idaho 83815

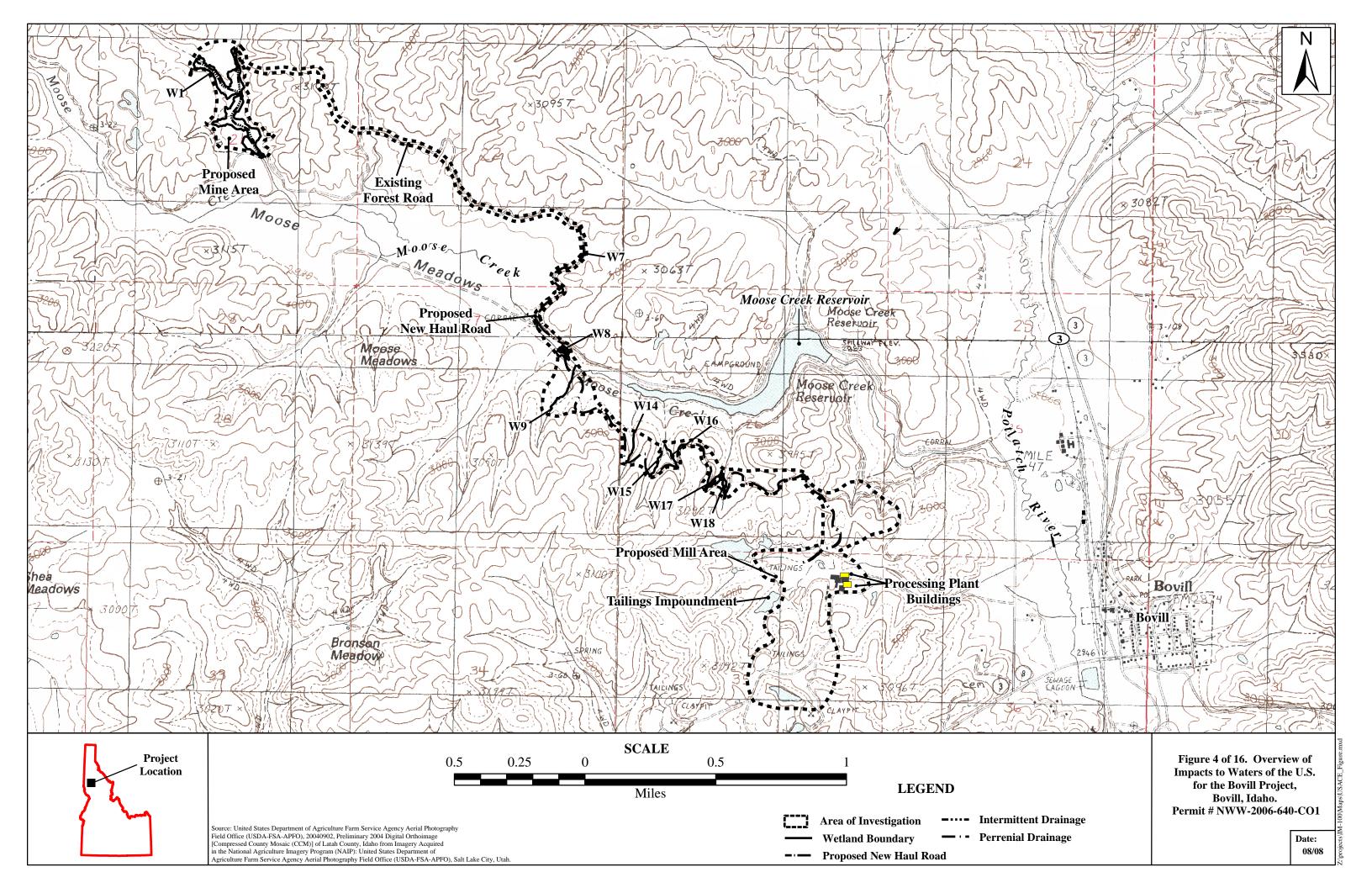
Comments should be received by the due date of this notice to receive consideration.

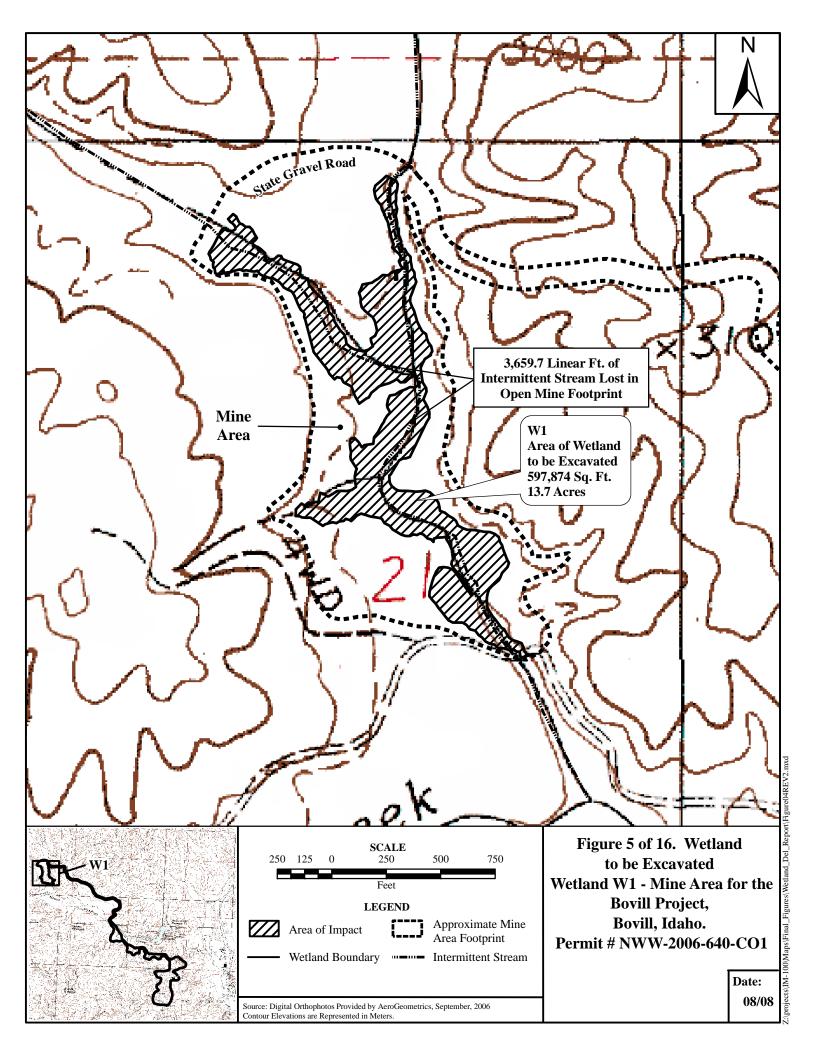
//signed by Barbara C. Benge for//
A. Bradley Daly
Chief, Regulatory Division

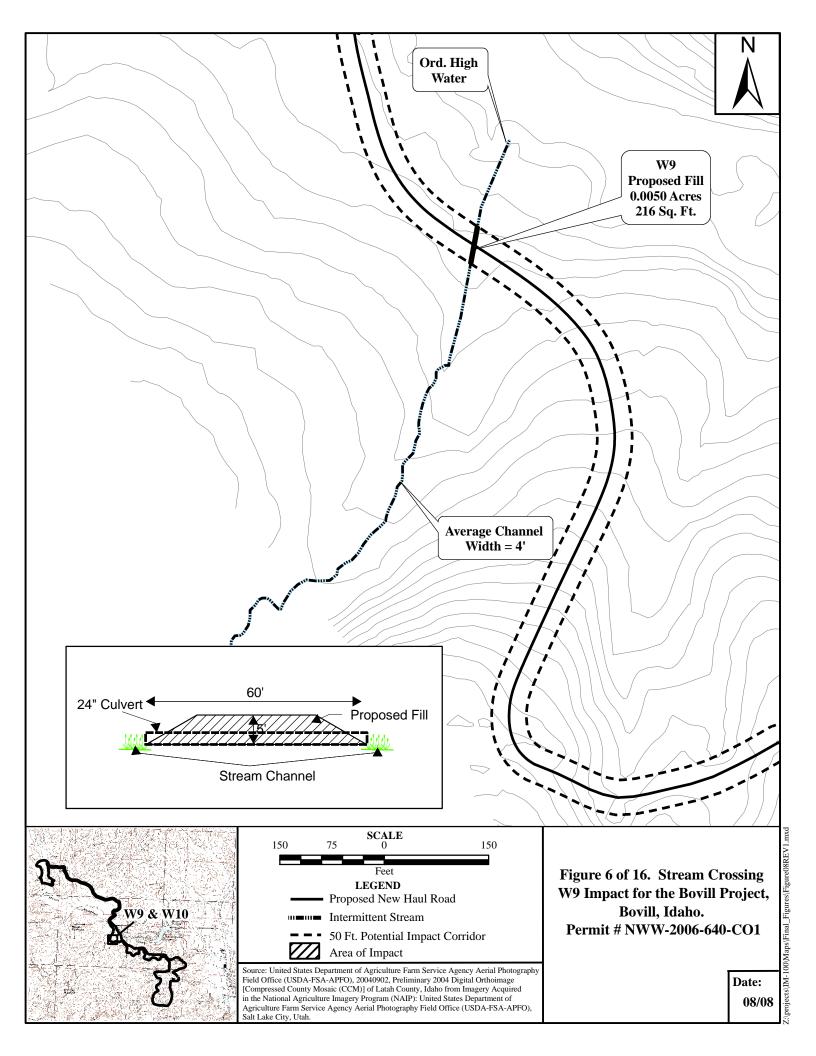


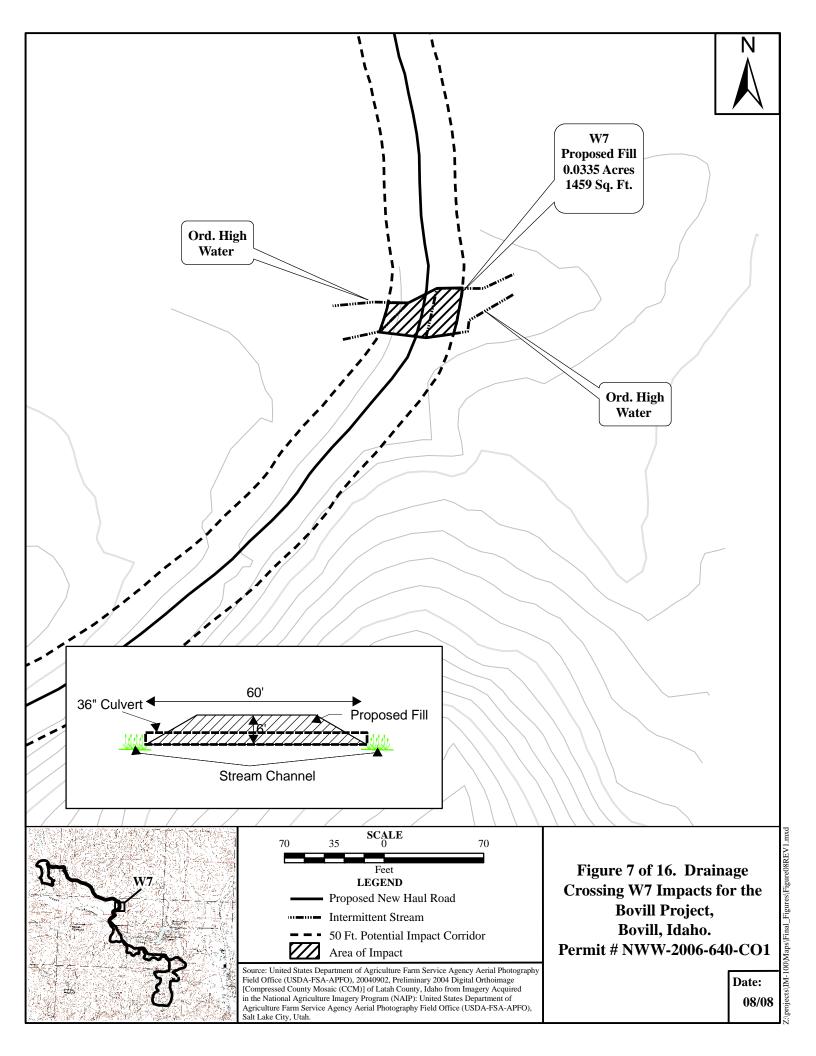


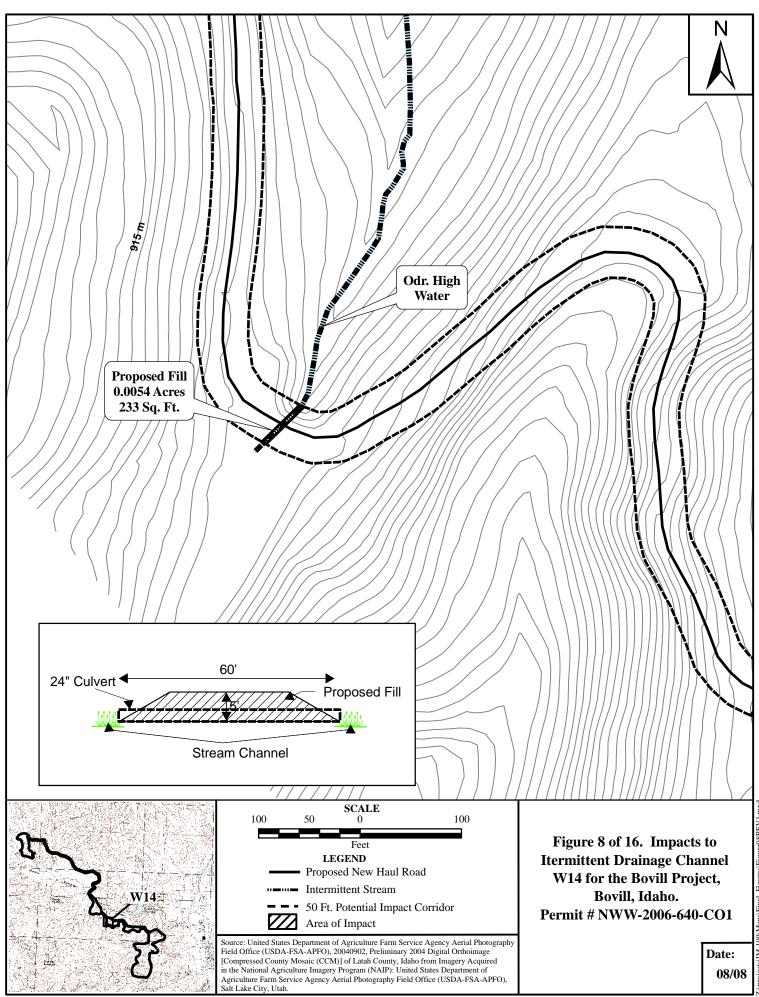


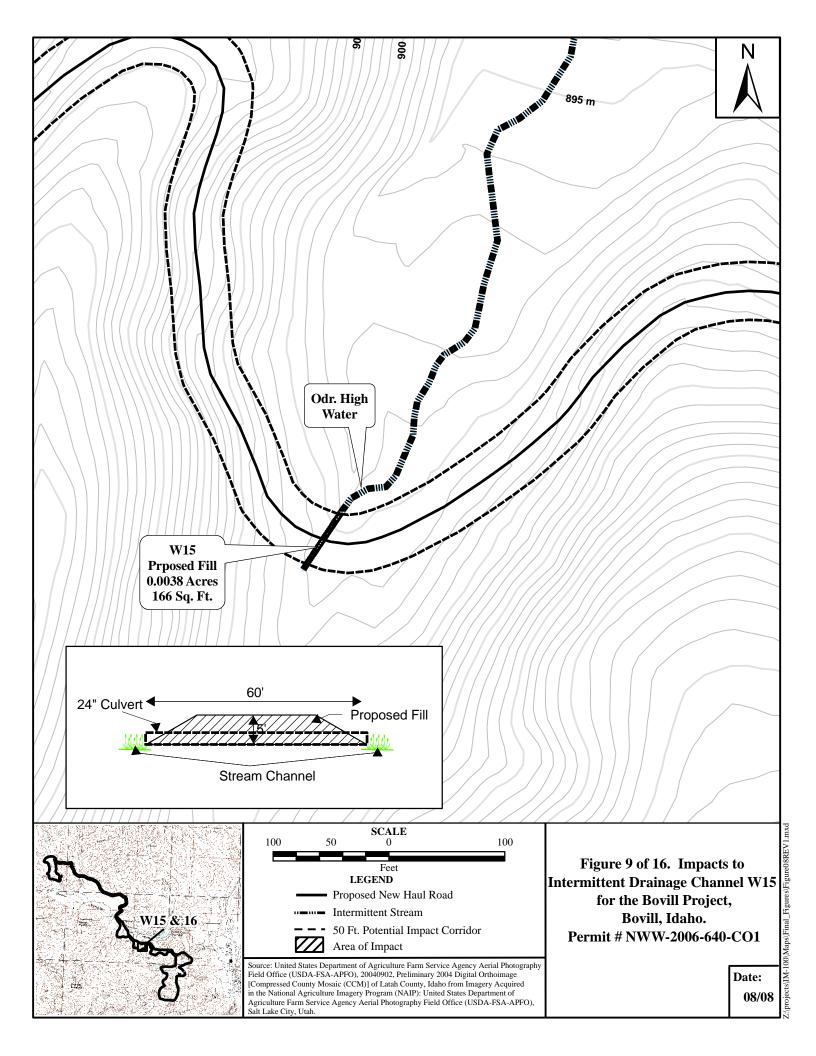


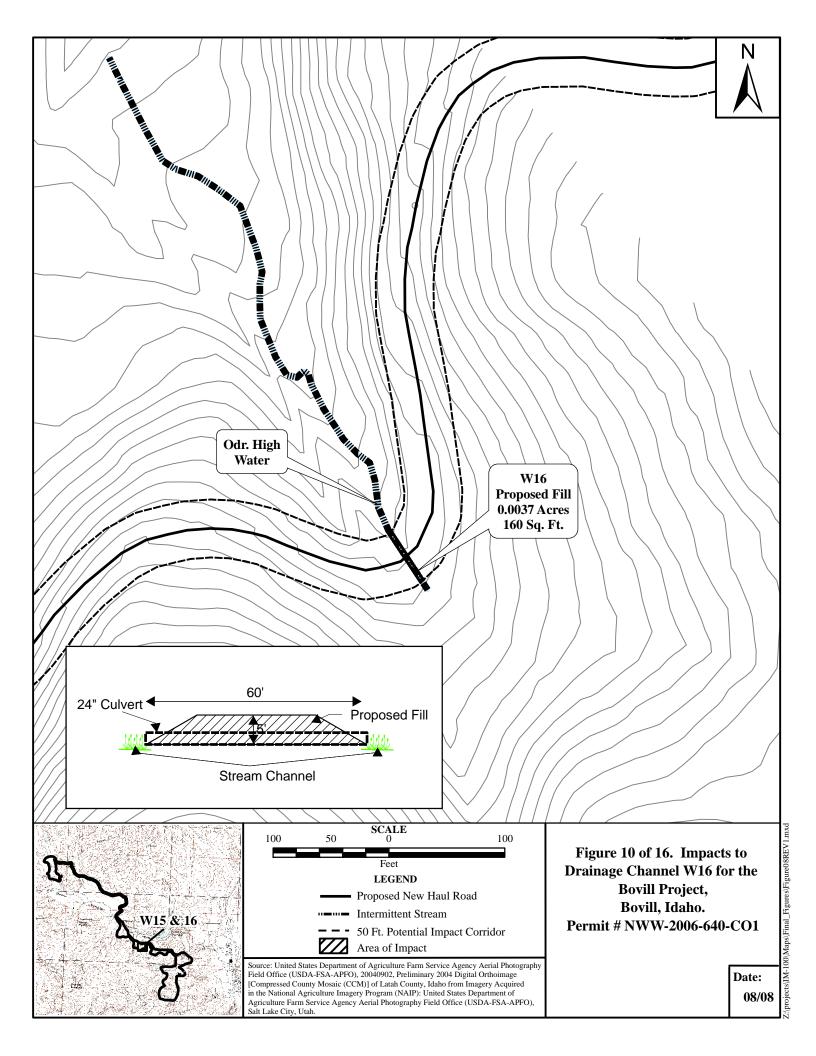


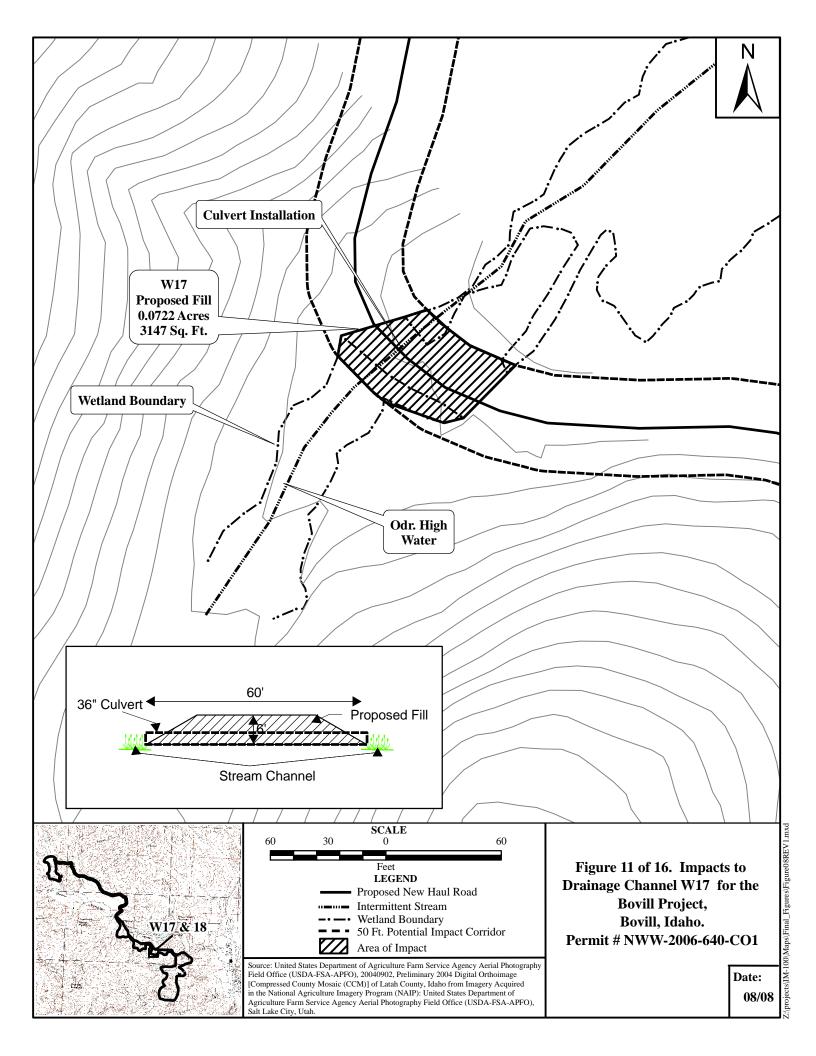


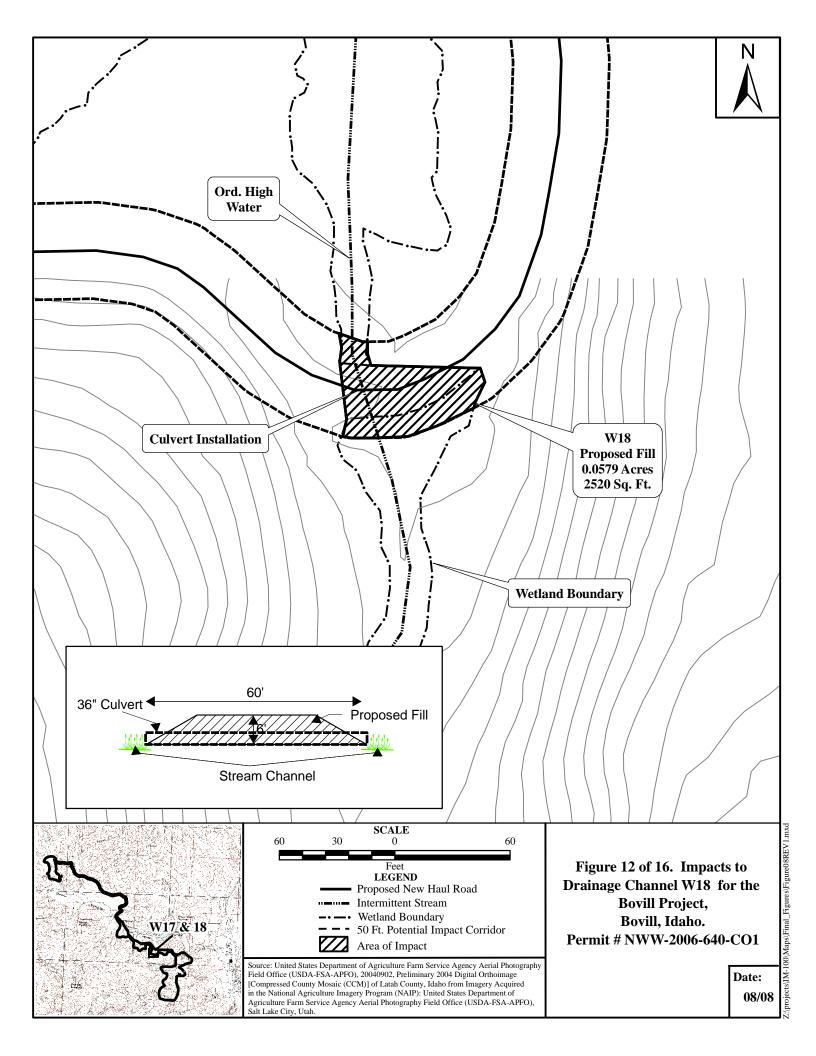


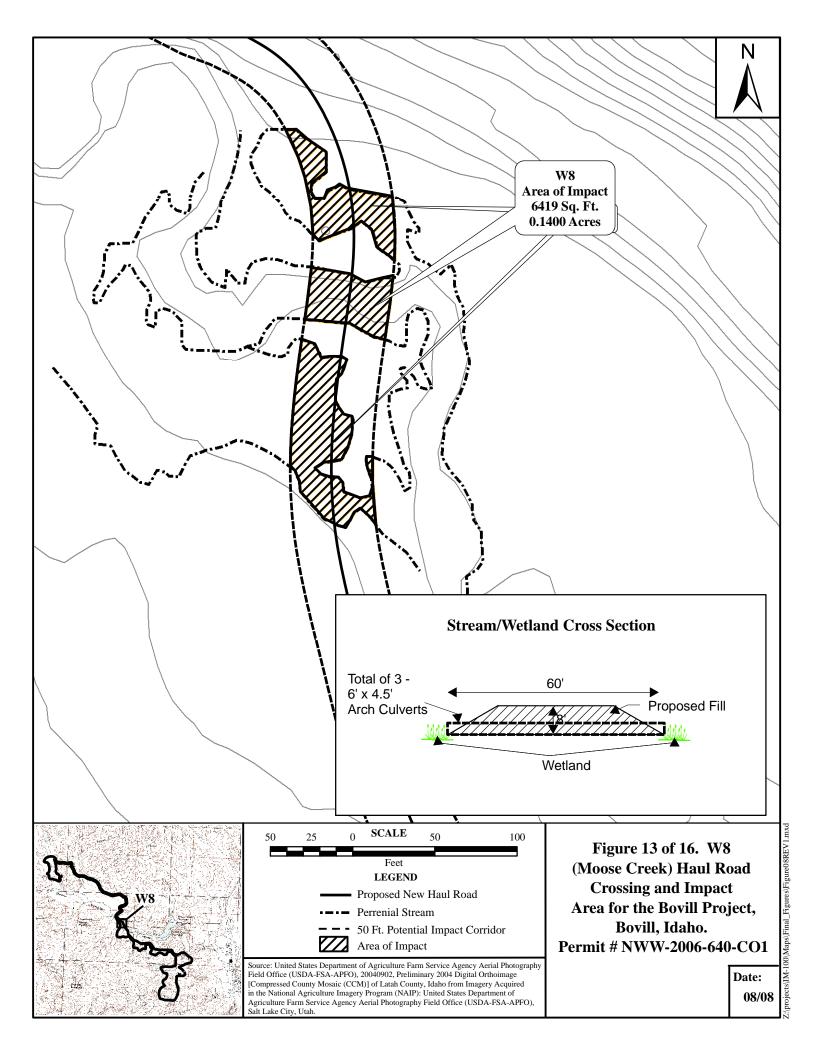


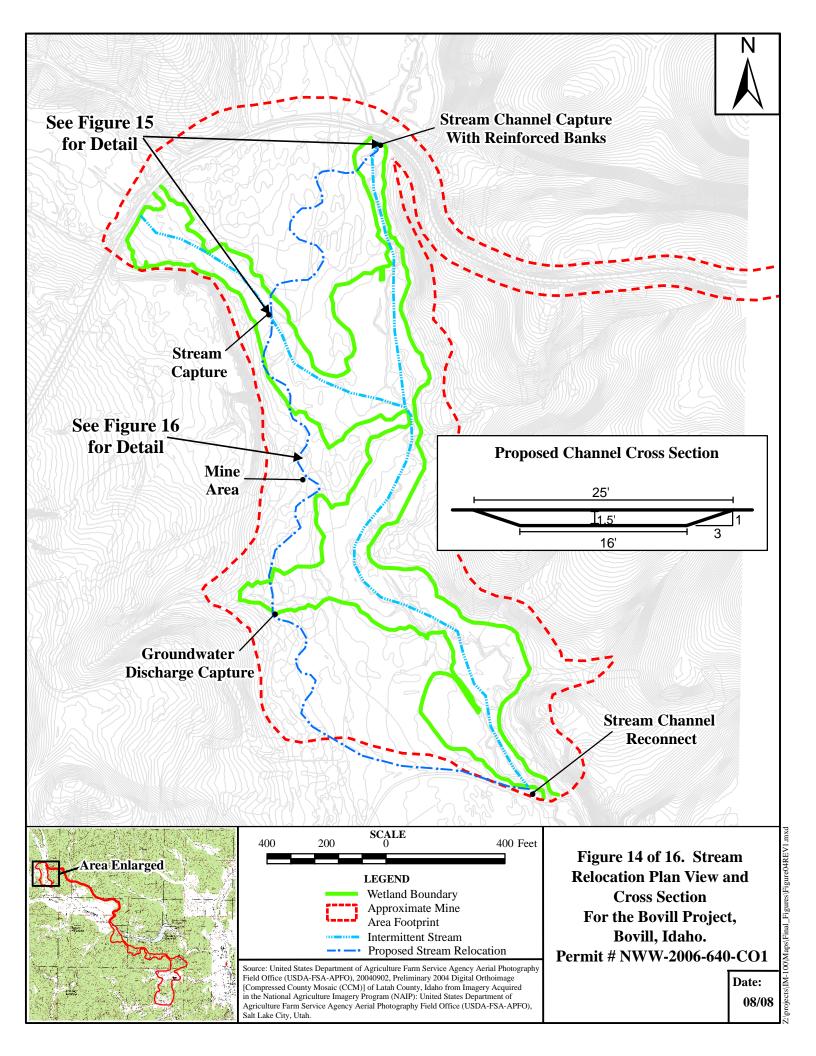






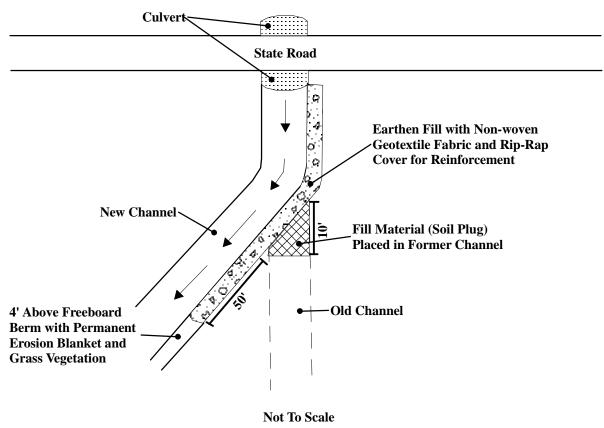




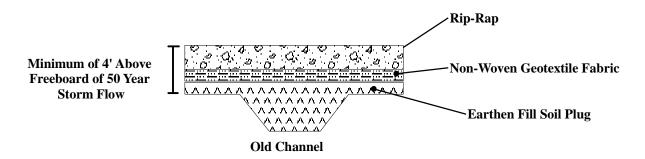


Stream Diversion Structure - Plan View





Stream Diversion Structure - X-Section View





Drawings Not To Scale

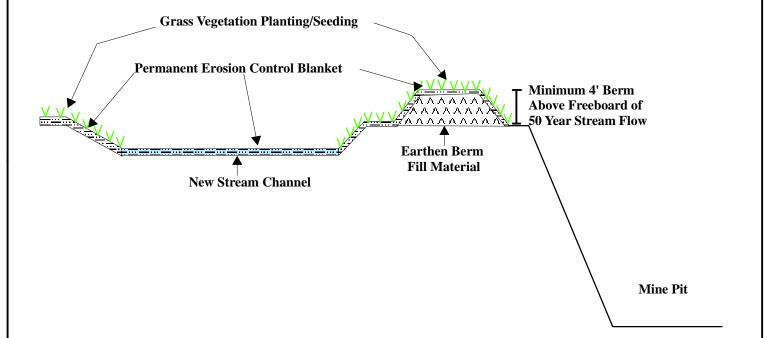
Source: United States Department of Agriculture Farm Service Agency Aerial Photography Field Office (USDA-FSA-APFO), 20040902, Preliminary 2004 Digital Orthoimage [Compressed County Mosaic (CCM)] of Latah County, Idaho from Imagery Acquired in the National Agriculture Imagery Program (NAIP): United States Department of Agriculture Farm Service Agency Aerial Photography Field Office (USDA-FSA-APFO), Salt Lake City, Utah.

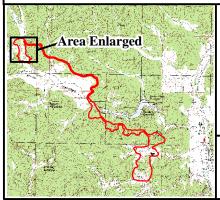
Figure 15 of 16. Stream **Relocation Plan View and Cross Section** For the Bovill Project, Bovill, Idaho. Permit # NWW-2006-640-CO1

Date:

08/08

New Channel and Berm - X-Section View





Drawing Not To Scale

Source: United States Department of Agriculture Farm Service Agency Aerial Photography Field Office (USDA-FSA-APFO), 20040902, Preliminary 2004 Digital Orthoimage [Compressed County Mosaic (CCM)] of Latah County, Idaho from Imagery Acquired in the National Agriculture Imagery Program (NAIP): United States Department of Agriculture Farm Service Agency Aerial Photography Field Office (USDA-FSA-APFO), Salt Lake City, Utah.

Figure 16 of 16. Stream **Relocation Plan View and Cross Section** For the Bovill Project, Bovill, Idaho. Permit # NWW-2006-640-CO1

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